

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS
SUBCOMMITTEE**

Tuesday, January 31, 2017 • 7:59 am • 30 House Building

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. Paul Ray, House Chair
Rep. Raymond P. Ward, House Vice Chair
Sen. Daniel Hemmert
Sen. Brian E. Shiozawa
Sen. Kevin T. Van Tassell
Sen. Todd Weiler
Rep. Carl R. Albrecht
Rep. Rebecca Chavez-Houck
Rep. Rebecca P. Edwards
Rep. Sandra Hollins

Rep. Michael S. Kennedy
Rep. Edward H. Redd
Rep. Christine F. Watkins

Members Absent:

Sen. Luz Escamilla
President Wayne L. Niederhauser

Staff Present:

Mr. Hector R. Zumaeta Santiago, Staff Economist
Mr. Russell T. Frandsen, Fiscal Analyst
Ms. Clare Tobin Lence, Fiscal Analyst
Paula Morgan, Committee Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at le.utah.gov.

Rep. Ray called the meeting to order at 8:25 AM.

Hector R. Zumaeta Santiago, Fiscal Analyst, discussed the following reports:

4a-Purposes for Which Money Was Spent - Administration

4b-Expenditures by Vendor - Department of Workforce Services

4c-DWS Response Regarding Incentive Award Information

4f-Actual vs Appropriated - DWS Revenue

10a-Purposes for Which Money Was Spent - Unemployment Insurance

4e-Actual 5 year Trend - DWS Expenses

11a-Purposes for Which Money Was Spent - USOR

4g-Actual vs Appropriated - DWS Expenses

11c-Actual vs Appropriated - USOR Expenses

13a-USOR Nonlapsing Balances

6a-Issue Brief - 2017 General Session - ARRA Funds Approval - Department of Workforce Services

Rep. Redd requested clarification on the grand total of FY 2016 vs. appropriated Mr. Zumaeta Santiago responded followed by Nathan Harrison, Finance Director, Department of Workforce Services and explained the reason for the difference.

1. Representative Schultz Presentation

Rep. Schultz explained HB 240 which has to do with pay for success.

Melissa Freigang, Vice President, Social Innovation and Workforce Initiatives, presented the "Employability to Careers Pay for Success Initiative" PowerPoint with input from Rep. Schultz.

Rep. Ward asked about the 90% participants input number in the program and Ms. Freigang and Rep. Schultz responded with the information.

Ms. Freigang continued with a verbal presentation of two successes who had been in the program.

Sen. Shiozawa inquired about how this has worked other places and what the results have been. Ms. Freigang and Rep. Schultz responded with information. He also posed a question about the fiscal note and Rep. Schultz explained what needed to happen for the funding.

Rep. Chavez-Houck addressed her concern of overlapping or duplicating with other programs and Ms. Freigang shared what they are currently doing to address that. There was continued discussion.

Rep. Michael Kennedy asked for clarification on measurement methods.

Ms. Freigang and Rep. Schultz continued responding to questions.

Rep. Edwards asked about impact on the families of the people involved in the program and Rep. Schultz responded.

Sen. Christensen asked about the enrollment process with Ms. Freigang responding

Rep. Schultz commented on Sen. Van Tassell's comments, shared input about his family situation and how they were pulled out of intergenerational poverty.

Sen. Van Tassell commented about the program and specified that this will need to be funded internally because there is no money for new programs. He also stated his support of the program idea.

Rep. Ray shared personal information about his family in support of the idea of the bill.

Rep. Schultz continued with input about the employer end of this program.

Shelley Barlow gave input about their business and the result of needing technicians and their method to hire employees from the program proposed and asked for support of the program.

Jeremy Lund, Board Chair, Community Foundation of Utah spoke as a taxpayer and intermediary in support of the program.

Rep. Schultz concluded his comments.

Rep. Ray wrapped up the comments on HB 240.

2. ARRA Funds Approval - Department of Workforce Services - Issue Brief

6a-Issue Brief - 2017 General Session - ARRA Funds Approval - Department of Workforce Services

Hector R. Zumaeta Santiago, Fiscal Analyst, explained the issue brief.

MOTION: Rep. Ward moved to Approve the following motions from the sheet entitled " Social Services Subcommittee - Motions for Subcommittee Consideration" dated 1/20/2017 10:10 AM: #1F, 1G, 1AN, 1AO, 1AP. amd 4AI. The motion passed with a vote of 13-0-3.
Voting in the affirmative were:
Ray P, Ward R, Hemmert D, Shiozawa B, Van Tassell K, Weiler T, Albrecht C, Chavez-Houck R, Edwards R, Hollins S, Kennedy M, Redd E, Watkins C
Absent or not voting were:
Christensen A, Escamilla L, Niederhauser W

MOTION: Rep. Ward moved to approve the following motions from the sheet entitled "Social Services Subcommittee - Motions for Subcommittee Consideration" for the Department of Workforce Services and for the Administration line item: #1C. The motion passed with a vote of 14-0-2.
Voting in the affirmative were:

Christensen A, Ray P, Ward R, Hemmert D, Shiozawa B, Van Tassell K, Weiler T, Albrecht C, Chavez-Houck R, Edwards R, Hollins S, Kennedy M, Redd E, Watkins C

Absent or not voting were:
Escamilla L, Niederhauser W

3. Workforce Services' Operations & Policy Base Budget

7a-Purposes for Which Money Was Spent - Operations and Policy

Mr. Zumaeta Santiago, Fiscal Analyst explained the following:

Federal Funds Operation and Policy

4. Workforce Services - Intent Language and Nonlapsing Balances Follow-up Issue Brief

Mr. Zumaeta Santiago continued with the brief on Intent Language and Non-lapsing Balances Follow up Issue Brief for The Department of Workforce Services as well as the following:

5. Workforce Services' Unemployment Insurance and Unemployment Compensation Base Budget

Mr. Zumaeta Santiago continued presenting the information.

MOTION: Sen. Christensen moved to approve the following motions for the Department of Workforce Services' Operations and Policy line item from the sheet entitled "Social Services Subcommittee - Motions for Subcommittee Consideration: dated 1/20/2017 10:10 AM: #1C, 1AL,1AV, 1AW, 1AY, 4AJ and 4AK. The motion passed with a vote of 12-0-4.

Voting in the affirmative were:

Christensen A, Ray P, Ward R, Hemmert D, Shiozawa B, Van Tassell K, Albrecht C, Chavez-Houck R, Edwards R, Kennedy M, Redd E, Watkins C

Absent or not voting were:

Escamilla L, Niederhauser W, Weiler T, Hollins S

Mr. Zumaeta Santiago continued focusing on # 26, 27, 29 on the gray sheet.

Jon Pierpont , Director of Workforce Services, addressed each of the options to consider when reviewing base budget proposals.

Rep. Redd asked a question about the maintenance of effort required and Nathan Harrison clarified. The discussion continued between Rep. Redd, Mr. Pierpont, and Mr. Harrison.

Sen. Shiozawa asked the fiscal analysts for their input about the proposal. Mr Zumaeta Santiago responded to the question.

Mr. Pierpont continued explaining the DWS requests.

Rep. Redd asked for clarification on the item #27 from the request sheet.

Sen. Christensen shared that the Committee had worthy asks to consider and asked for more discussion with Mr. Pierpont.

Mr. Pierpont continued presenting #29.

6. Workforce Services' General Assistance Base Budget

Mr. Zumaeta Santiago addressed the above items.

Jon Pierpont , Director of Workforce Services, addressed the general assistance fund and DWS needs in several areas.

Rep. Chavez-Houck asked for clarification on the request made and if it is enough. Mr. Pierpont replied that he felt it was sufficient.

7. Workforce Services' General Assistance Base Budget

Rep. Redd asked if the one-time \$856,000 requested is the same as the Assisted Technology request from Independent Living Centers. Mr. Pierpont clarified.

10a-Purposes for Which Money Was Spent - Unemployment Insurance

Mr. Zumaeta Santiago presented information from the previous documents.

8a-Purposes for Which Money Was Spent - General Assistance

Mr. Zumaeta Santiago presented both previous and following information.

11b-Actual vs Appropriated - USOR Revenue

11c-Actual vs Appropriated - USOR Expenses

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8. USOR Nonlapsing Balances 2016

Rep. Ray reminded the Committee about their presentations and intent language and to visit with staff if that is your plan.

MOTION: Rep. Albrecht moved to adjourn.

Meeting adjourned at 10:05 AM.

Sen. Allen Christensen, Chair

Rep. Paul Ray, House Chair